

BRAINERD STATE HOSPITAL

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BRAINERD STATE HOSPITAL

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FORWARD

In 1979, an Executive Summary of the future role of state operated facilities was published. The study was conducted by the Office of Policy Analysis and Planning of the Department of Public Welfare, and represented a two-year effort.

On April 27, 1982, a memorandum authored by Ronald Young, M.D., Assistant Commissioner of the Department of Public Welfare, stated that the Governor had recently asked the Department of Public Welfare to prepare a report on the future of the State Hospital System, to be completed by August 2, 1982. Each state hospital was to completed a section of the report by June 15, addressing the impact of the closing of that State Hospital with respect to the following issues:

- (1) Population served (utilization by county)
- (2) Capacity lost (where clients would go)
- (3) Impact on clients
- (4) Impact on counties
- (5) Impact on staff
- (6) Impact on community.

In the process of gathering information in response to the above requirement placed upon Brainerd State Hospital, we have tried to provide the most objective data available in conjunction with professional Judgment in determining effect on clients, counties, services, and programs. In assessing the Impact on the community, we patterned our report on a study completed by Dr. Mary Reider of Winona State University, "Economic Impact of the Closing of Rochester State Hospital on Rochester and the Region." (Report available from Mary Reider, Ph.D., Professor of Economics, Winona State University.)

June, 1982
BRAINERD STATE HOSPITAL

County Utilization and Population

Brainerd State Hospital recorded a total of 793 admissions during calendar year 1981. The Psychiatric Program accounted for 289 admissions from 22 different counties; the Chemical Dependency Program had 404 admissions from 19 counties; the Developmental Disabilities Program recorded 30 admissions from 13 different counties; and the Minnesota Learning Center had 70 admissions from 23 different counties out of Minnesota's 87 counties. When looking at admissions and current populations, 54 of the 87 counties have utilized services at Brainerd State Hospital during calendar year 1981.

A breakdown of admissions and population by county is shown in Table I (on the following pages).

Impact on Clients and Counties

Brainerd State Hospital currently provides services in four different program areas. All population figures shown are as of May 1, 1982.

- 1) Chemical Dependency Unit - In-patient treatment for chemically dependent persons age 18 and older. Population 55. Serves 12 North Central counties.
- 2) Psychiatric Program - In-patient treatment for persons age 18 and over who are acutely or chronically mentally ill. Population 78. Serves 12 North Central counties.
- 3) Minnesota Learning Center - Treatment program for borderline MR youth and adolescents who display mal-adaptive behaviors. Population 36. Receiving area is statewide.
- 4) Developmental Disabilities Program Division - Training and treatment program for mentally retarded persons of all ages. Population 325. Serves 14 North Central counties plus the Moose Lake State Hospital area for children, and a statewide program for the deaf/blind (14 residents). It should be noted that almost 90% of the developmentally disabled residents fall into the severe and profound range of retardation. (Total hospital population is 494.)

Alternative Placement and Treatment Resources

Chemical Dependency

Outside of the Brainerd area the nearest state operated chemical dependency programs are 100 miles away at Willmar and Fergus Falls State Hospitals. The nearest private treatment center is 65 miles away. However all of these facilities are operating at, or near capacity. The only other resources available for this population in this area are Alcoholics Anonymous and related support groups, County Social Service Chemical Dependency counselors, and the area mental health centers. Social Service Department

TABLE I
BRainerd STATE HOSPITAL
BRainerd, MINNESOTA

Counties	No. of Admissions by County January 1, 1981 thru December 31, 1981					Population by County As of May 1, 1982				
	Ml	MR	CD	MLC	Total	Ml	MR	CD	MLC	Total
Aitkin	23	1	25		49	1	13	4		18
Anoka			1	12	13		3		4	7
Becker			2		2		1		1	2
Beltrami	39	3	68	I	111	6	18	9		33
Benton	18	3	22		43	8	8	2		18
Blue Earth							1			1
Carlton				2	2		4		1	5
Carver				1	1				2	2
Cass	25	1	72	1	99	6	17	8		31
Clay			1		1					
Clearwater	5		12	1	18	1	1	2	1	5
Cook							3			3
Crow Wing	58	2	63		123	24	36	12		72
Dakota	1			3	4		2			2
Douglas	1				1		1			1
Faribault							2			2
Fillmore							1			1
Goodhue						1				1
Grant							1			1
Hennepin	14	3		8	25	1	14		5	20
Hubbard	6		12		18	5	9	2		16
Itasca		3		2	5		24			24
Kandiyohi	2				2				1	1
Koochiching	1				1	1	13		1	15
Lake							4			4
Lake of the Woods			6		6	1	3			4
LeSueur				3	3				1	1
Lincoln				1	1					
McLeod							2			2
Mahnomen			1		1					
Marshall									1	1

(Continued)

TABLE I - BRAINERD STATE HOSPITAL (Continued)

No. of Admissions by County January 1, 1981 thru Population by County December 31, 1981 As of May 1, 1982										
Counties	MI	MR	CD	MLC	Total	MI	MR	CD	MLC	Total
Martin			1	1	2		1			1
Meeker	1				1	1				1
Mille Lacs			1	1	2					
Morrison	33	1	45	2	81	8	27	4	1	40
Mower				1	1		2			2
Nicollet				1	1					
Olmsted							1		1	2
Otter Tail	2		1	1	4					
Pennington	1				1		1		1	2
Polk	1	1			2		2			2
Ramsey				11	11	1	5		5	11
Redwood				1	1		1		1	2
Renville							1			1
St. Louis	3	3		4	10		24		2	26
Stearns	34	4	45	5	88	4	36	5	3	48
Steele	1				1					
Todd	12	3	18		33	5	24	4		33
Wadena	8	2	8		18	4	16	3		23
Waseca							1			1
Washington				3	3				1	1
Wilkin							1			1
Winona				4	4				2	2
Wright							1		1	2
TOTALS	289	30	404	70	793	78	325	55	36	494

Counselors have extremely heavy caseloads, sometimes in excess of 75 clients. In addition to those who are currently being served at Brainerd State Hospital, there is a long waiting list for admission at Brainerd as well as other state facilities. Therefore, it would be expected that if the Brainerd Chemical Dependency Unit were closed, community resources would be overwhelmed and would have an extremely difficult time providing adequate Services for the number of chemically dependent Individuals in need of service. Although there are resources in the community to serve the chemically dependent person, there are instances where out-patient treatment is insufficient. Persons in need of in-patient treatment and with limited financial resources would be unable to obtain adequate care and treatment without leaving the area. The majority of clients served by the Brainerd State Hospital Chemical Dependency Program have limited financial assets and would very likely be unable to pay for treatment at a private facility. This would place undue hardship on the client's family in terms of cost, transportation and therapeutic involvement. If the present clientele of the Brainerd State Hospital Chemical Dependency Unit were referred to other state hospitals, the county social service agencies would incur additional but unknown transportation costs to remain involved in the therapeutic process. All other costs would remain relatively stable. If current services were to be continued within the present catchment area, alternative in-patient facilities would need to be developed for primary care. The costs of developing alternative facilities are not known. The per diem rates for community-based primary care range from \$78 (free standing) to \$125 (hospital-based) according to the 1981 study completed by Walker and Associates. Funds for development and operation of free-standing facilities are not currently available, nor is the capacity of existing community-based hospitals for chemically dependent patients.

Psychiatric Program

Many of the problems noted for the chemically dependent client will also occur for the mentally ill client, such as the dispersal of patients, which will likely result in decreased involvement on the part of the county agencies and families. Again, community mental health centers will be a resource but the influx of clients into the community might place such a strain on the system that services for the mentally ill client will prove to be either unavailable or inadequate. Private treatment programs are available, but for most clients presently being served financial circumstances, particularly for the chronic patient, eliminates the private treatment option.

In 1981, the Psychiatric Program at Brainerd State Hospital had 289 admissions. Of this number, 205 were either admitted on a court ordered hold or for court ordered evaluation. If the program were not available, these services would have to be provided at another state hospital. In addition, 45% of the current population are chronically mentally ill and 10% are mentally ill and dangerous. These two groups would require hospitalization at another state institution. Within the Brainerd State Hospital catchment area, there are no community residential facilities for the psychiatric patient and it has been necessary to contract for these services with Hennepin, St. Louis and Ramsey counties. For many of the psychiatric patients, return to their families or independent living is not a realistic

alternative. If all of the present patients were transferred to other state hospitals, transportation costs for some county social service agencies and some families would increase due to the increase in distance to the treating hospital. Following some initial transfer costs, all other costs would remain relatively stable.

In order to provide current levels of services within the communities of the Brainerd State Hospital catchment area, new facilities would need to be established for those able to function in community settings including: group homes, board and care, and foster homes. Roughly 45% or 35 of the Brainerd State Hospital psychiatric patients could feasibly be placed in such facilities or return home. It has been estimated by the program that 18 of these individuals could return home and 18 would need in-patient care in the community. If one assumes in-patient facilities would house between 6-8 individuals, then approximately three homes would be needed. The Management Support Division of the Mental Health Bureau estimates that operating community homes for the mentally ill range from \$17.24 per diem to \$60.22 per diem depending on the home's size and services delivered. The costs to the counties for providing psychiatric services and vocational training to individuals residing in homes that do not offer day treatment cannot be accurately estimated at this time.

Minnesota Learning Center

The Minnesota Learning Center is a unique program within the state hospital system. There is not another facility even within the Twin Cities metro area designed to service this clientele. In fact, approximately 60% of the students served by the Minnesota Learning Center since 1970 were from Cambridge and Faribault State Hospital's receiving areas. These two hospitals are the receiving facilities for the 7-county metro area.

The alternatives for the Minnesota Learning Center clientele are limited. These persons would have to be served in existing state hospital programs which do not have programs oriented to this particular disability group, i.e., these individuals would have to be served within available mental retardation or psychiatric programs. This approach has proved ineffective in the past in attempting to meet the needs of these clients. It is also likely that a number of these individuals might become involved in the penal system which obviously would preclude the kinds of treatment gains that have been attained for these individuals when appropriate treatment has been available.

If the Minnesota Learning Center students would be absorbed by other existing state hospital programs, the cost involved in their treatment would not change significantly. However, in order to receive present levels of treatment, many would need to be referred out of state. The costs involved in out-state treatment are not known, but are assumed to be substantially higher than at present.

Developmental Disabilities

Based on placement rates during the past two years, and considering available resources outside the state hospital system, it would be estimated that

approximately 10% of the developmentally disabled residents at Brainerd State Hospital could be absorbed by community placement (i.e., group homes, foster care, family, nursing homes, boarding care, etc.). This would leave approximately 295 residents that would have to be housed at other state facilities.

The primary obstacles for community placement are behavior problem residents and medically fragile residents who are in need of 24-hour nursing supervision. Difficulty in placing developmentally disabled residents also arises due to the fact that almost 90% of these residents fall into the severe and profound range of retardation. Even excluding these obstacles, the fact still remains that community programs do not have sufficient bed-space to accommodate this number of clients. Nor would day programs, at any level, be able to provide adequate services to these individuals. Additionally, community residential and day programs have the option of refusing to provide services.

A number of Brainerd State Hospital residents require a full range of medical services. These types of services are typically available in most communities, either directly or through referral. However a problem that will very likely arise is that outside of the instructional setting, medical personnel typically do not have any experience in providing health care services taking into consideration problems associated with mental retardation. Background information and symptomatology would have to be provided by the community caretaker.

If the 295 residents of Brainerd State Hospital who could not be placed in existing community facilities were transferred to other state hospitals, most costs involved in overall treatment and care would remain relatively stable. There would be an increase in transportation costs for most county social service agencies involved in resident planning and an initial cost to transfer the individuals to the other hospitals. Transportation costs would also accelerate for families, resulting in decreased participation from the family.

Transfer of residents to other state hospital facilities would result in an average of 200 additional miles round trip per client for the family to visit and participate in planning of individual programs. The total additional mileage for families making one trip per year would be 65,200 miles, or \$13,040 additional cost per year.

Computing the costs involved in continuing current levels and quality of care within communities served by Brainerd State Hospital is difficult due to a lack of examples of intensive-program group homes. For residency of the 295 individuals, 37 group homes housing 6-8 residents each would be needed. The cost of developing these homes has been estimated by a member of the Governor's Planning Council for Developmental Disabilities at \$70,000 - \$100,000 each. Since these residents would require intensive behavioral and/or medical treatment, the per diem operating cost could be comparable to the rates set for existing Class B facilities that specialize in nonambulatory residents. The 1979 Residential Care Study by the Department of Public Welfare indicated a correlation in cost between homes serving nonambulatory and behavior problem individuals. The following is a typical

example of the residential and non-residential per diem rate for a Class B facility specializing in non-ambulatory retarded individuals operating within the Brainerd State Hospital catchment area:

1.	Residential per diem rate.....	\$61.00
2.	Day Program	\$21.00
	(Average cost: Day Activity Center Work Activity Center Shelter Workshop)	
3.	Transportation (1977 cost)	\$ 3.36
4.	Medical Service (1977 cost).....	\$ 4.22
5.	Social Services (1977 cost)\$.91
		<u>\$90.49</u>

This total cost compares closely with the per diem cost of an Average Michigan Alternative Intermediate Services facility minus the cost of individual case managers:

1.	Resident per diem rate	\$65.91
2.	Day Program.....	\$13.47
3.	Technical Services	\$ 4.57
4.	Medical and Dental\$.42
5.	Transportation.....	.\$ 1.42
6.	Utilities	\$.92
7.	Case Managers.....	<u>\$16.68</u>
		\$103.39

The percentage of operating cost borne by the county for group homes has been higher than the percentage of costs paid for state hospitalization. Current per diem for state hospitals is \$109.50.

County Social Service officials have stated that although day rates are generally less in community facilities, the all-inclusive costs are substantially more. When the extra costs for medication, Day Activity Centers, special education, physical therapy, etc., are considered, the state hospital becomes competitive and even less. This will be particularly evident as the remaining mentally retarded clients who pose multiple handicaps are reviewed for discharge. The cost comparison for those already placed does not reflect the cost of additional services those still in a state facility

will require. Since there is a lack of Class B facilities, these will need to be new constructions which will require more capital and will be more expensive.

The kind of behavioral programming available at Brainerd State Hospital is not generally available in the community, but it is expected that there are personnel employed by community facilities who are capable of developing and implementing behavioral programs. As was the case, with chemically dependent, mentally ill, and the Minnesota Learning Center clients, community mental health centers could be a source for this service. The cost involved in providing this service cannot be estimated at this time, but there does not appear to be any community-based facilities for the developmentally disabled client which are able to match the sophisticated program currently provided at Brainerd State Hospital. The absence of Brainerd State Hospital could result in a number of legal problems, for example court ordered evaluations, hold orders, etc., which would have to be carried out elsewhere because community facilities are not equipped to perform these functions, and can refuse to admit a client.

Economic Impact on the Brainerd Area

BACKGROUND

"The impact of a hospital's closing must inevitably have profound impact on the surrounding community...the State hospital has provided the large single source of demand for the development of supply systems, educational systems, and so on. The ecological impact of a State hospital closing is unassessable, staggering, incredible in its proportions. The fact that State departments have no notion as to how to meet our obligation to these communities does not make the obligation go away."

Paul R. Dingman
Colgate University

In the early and mid-1900s the logging industry, railroad industry and Cuyuna Iron Range provided a large number of employment opportunities. With the decline of these activities, the resort and tourism industry became the primary economic base for the area during the summer months.

Rome 50 manufacturing firms, employing between 5 and 700 people are located in the Brainerd area. Another major source of jobs in the area is government services, health care, and the educational system. Several government departments and agencies associated with the local, county, state, and federal government have offices in Brainerd.

The December 1981 labor survey identified the major employers in the areas as follows:

TABLE II (Continued)

Health and Recreation.....	\$2,510,301.00
Medical Care	\$1,202,489.00
Personal Care	261,562.00
Recreational Goods	264,416.00
Recreational Services	150,276.00
Reading & Education	150,283.00
Tobacco Products	179,765.00
Alcoholic Beverages	251,100.00
Personal Expenses	50,410.00
Miscellaneous	\$ 37,019.00
UTILITIES.....	\$ 280,000.00
LOCAL TRADE.....	\$ 177,000.00
Vehicle Gas, Fuel.....	\$ 29,700.00
Parts and Supplies	25,700.00
Food and Business	110,400.00
Medical Supplies & Drugs	4,800.00
Other Retail	6,400.00
LOCAL SERVICES	\$113,300.00
Health and Lab.....	\$ 89,400.00
Garbage Service.....	6,100.00
Repair	15,600.00
United Parcel	2,200.00
GOVERNMENT SERVICE	\$ 30,700.00
Federal	\$ 11,400.00
College/Vocational School.....	6,900.00
City	4,000.00
Miscellaneous	8,400.00
	\$ 601,000.00
SUB TOTAL	\$10,773,580.00
VOLUNTEER SPENDING	\$ 65,116.00
Canteen Purchases	\$ 52,766.00
Cash Donations	12,350.00
RESIDENT/PATIENT SPENDING	\$ 416,736.00
MI and CD	\$ 170,496.00
Mentally Retarded	246,240.00
FAMILY/VISITOR SPENDING	\$ 101,736.00
CAMP CONFIDENCE LOSS.....	\$ 196,556.00
TOTAL	
	\$11,553,724.00

Source: Table is based on adjusted ratios of the Rochester report which used weights used in the Consumer Price Index, U. S. Department of Commerce, 1974 - 620-171-2352.

the facilities and their employees; total jobs generated both in the facility and community for Brainerd was 965.

Using a 1.6 factor (estimated approximation of the 1979 report), and considering Brainerd State Hospital and Public School at 780 jobs, the indirect impact would be a loss of 1248 jobs. Considering an average job salary at \$18,500, a gross total of \$23,088,000 would be lost from the economy.

Unemployment Benefits

Employees will be eligible for benefits for six to nine months following employment termination. Unemployment benefits are paid for either 26 or 39 weeks depending on the state unemployment rate. Benefits on July 1, 1982, are equal to 50% of average gross wages, up to a maximum of \$177 per week.

The unemployment benefits could be as much as two-thirds of take home pay. How many employees would actually apply for unemployment benefits is difficult to determine. Using job service figures and projections, and assuming 661 of the employees will receive benefits, a dollar cost can be assumed ranging from \$2,316,470.00 to \$4,474,705.00 for 26 weeks to 39 weeks.¹

School District/Local Government Sector Analysis

The changes in population, income and property values are the means which affect the municipal government sector and school district sector. In reviewing the literature, a few formulas were found that determined dollar impact of new jobs into a community affecting local governments and school districts.

Because of time limitation and for consistency of this report, certain assumptions will need to be made and developed.

School District Sector

An earlier estimate by the local job service office indicated that approximately one-third of the currently employed would leave the area* If we assume that each employee leaving the area has 1.7 children (source Brainerd Public Schools), the loss would translate to a lower school enrollment and, consequently, less state and federal aid.

¹ The cost was developed in the following manner:

Average salary \$18,500 divided by 52 weeks converts to weekly benefit of \$173.00 x 515 employees (66% of 780 employees which includes School District personnel) - \$89,095.00 weekly benefit x 26 week \$2,316,470.00 (\$89,095.00 x 39 weeks - \$3,474,705.00).

Employees Leaving Loss		Number of Children	Enrollment		Basic State/ Fed. Aid	Total Dollars
260	x	1.7	442	x	\$1,131	\$500,000

The loss of 442 student would also mean a loss of 15-20 additional school system jobs and \$300,000 to \$400,000 economic loss in the community.

Municipal Sector Impact

Crow Wing County collects approximately forty-four million dollars annually from property tax revenues. A loss of 260 employees permanently, assuming all are homeowners, may not mean immediate loss of property tax revenues of those employees leaving, since they would try to maintain the homes to sell, but would cause a decrease in property valuations.

In the Spring of 1982, a community in Colorado lost two thousand jobs; the value of houses decreased 25% in one day. If the value of houses decreased by as little as 12%, a loss in revenues could accumulate to over five million dollars annually. If 260 homeowners could not pay their property tax, a minimum \$239,500 would immediately be lost to local governments (\$921.00 tax based on \$36,000.00 house).

Institutional Spending by Brainerd State Hospital

Brainerd State Hospital had non-payroll expenses of \$1,136,100.00 in Fiscal Year July, 1981 to June, 1982. The total dollars spent directly in the City of Brainerd was \$651,600.00, considering the remaining dollars purchased natural gas and heating oil from wholesalers outside the community.

Nearly one-third of a million dollars was spent on local trade and local service; \$177,000.00 or 16% on local trade and \$113,300.00 or 10% on local services. A detailed breakdown of expenditures is provided in Table III.

TABLE III

Brainerd State Hospital Spending
on Goods and Services in Brainerd Area
July, 1981-June, 1982

Utilities	\$766,700.00
Brainerd Water and Light	\$280,000.00
Natural Gas, Oil	486,700.00
Communications	\$ 48,400.00

Table III (continued)

Local Trade	\$177,000.00
Vehicle Gas, Diesel Fuel	\$ 29,700.00
Parts and Supplies	25,700.00
Food and Business	110,400.00
Medical Supplies and Drugs	4,800.00
Other Retail	6,400.00
Local Services	\$113,300.00
Health Services and Lab Fees	\$ 89,400.00
Garbage Service	6,100.00
Repair (Vehicles, Other Machines, Furniture.	15,600.00
United Parcel	2,200.00
Government Services	\$ 30,700.00
Federal (Postmaster)	\$ 11,400.00
Community College/Vocational School	6,900.00
City (Fire Service)	4,000.00
Miscellaneous	8,400.00
Total	\$1,136,100.00

Impact of Volunteer Spending at Brainerd State Hospital

The volunteer program at Brainerd State Hospital recorded 29,107 hours of donated time in calendar year 1981 which converts to a dollar value of \$148,255. In 1981, the canteen purchased \$52,766.00 of food, gift, and beverage items. Nearly all of the items were purchased from local wholesalers.

Cash donations of \$12,350 were made to the Volunteer Council and through the hospital flea market. The money was used for purchases of clothing, recreational equipment, furniture, and gifts such as radios, combs, and cards. Local retailers benefited from all of these purchases.

Approximately \$32,200.00 in various items were donated to Brainerd State Hospital. The items included free admissions, food, furniture, equipment and clothing.

Summary of Loss

Canteen purchases	\$ 52,766.00
Cash donation	12,350.00
Donated items	<u>32,200.00</u>
Subtotal	\$ 97,316.00
Cash value of volunteer hours	<u>148,255.00</u>
Total Loss	
\$245,571.00	

Patient. Resident, Family and Visitor Spending

In determining the approximate dollar loss to the Brainerd State Hospital community due to decreased spending in the community, we based our projections on the study completed at Rochester with patients/residents, and figures obtained through the Patient/Resident Accounts Office at Brainerd State Hospital.

The average expenditure for mentally ill patients at Rochester was \$128.00 per month. It was suggested that the chemically dependent probably spend more than mentally ill, on an average, but lack of empirical data caused the researchers to estimate the expenditures for chemically dependent at the same level as the mentally ill.

The monthly expenditure of \$128.00 per patient converts into an annual spending amount of \$1536.00 (\$128.00 x 12 months) per patient. The average number of patients in-house for calendar year 1981 was 67 mentally ill and 44 chemically dependent.

The total dollars spent by chemical dependent and mentally ill was \$170,496.00 (\$1536.00 x 111 patients). Table IV Identifies the profile of annual expenditures based on total dollars spent.

TABLE IV Profile of Annual Expenditure

by Patients at Brainerd State Hospital*

<u>Category of Spending</u>	<u>Annual Amount</u>	<u>% of Total</u>
Groceries, Snacks, etc.	\$ 37,339.00	21.9%
Clothing and Apparel	62,572.00	36.7%
Automobile Related Expenses	13,299.00	7.8%
Room Furnishings, Linen, etc.	8,013.00	4.7%
Recreation and Amusement	6,649.00	3.9%
Food and Drink at Restaurants, Bars	30,689.00	18.0%
Personal and Business Services	2,557.00	1.5%
All Other Retail Items	9,378.00	5.5%
Total Annual Spending	\$170,496.00	100%

*Based on Rochester Survey Profile

Spending by Mentally Retarded

The Resident Accounts Office at Brainerd State Hospital was consulted to estimate spending by mentally retarded residents, in June, 1982, 100% of 324 residents had accounts at the Hospital. The total dollars distributed to resident/patients for FY 82 was \$298,100.00.

The following table illustrates the client disability groups and the percentage with accounts:

Clients	Number of Patients	Estimated % With Accounts	Number of Accounts
Mentally Retarded/MLC	360	100%	360
Mentally Ill	67	67%	45
Chemically Dependent	<u>44</u>	70%	<u>31</u>
			471 436

An estimate of total resident expenditures can be projected by applying the average expenditures of a patient/resident with an account to the 360 mentally retarded:

\$298,100 and divided by 436 - \$684 annual
spending \$684 x 360 mentally retarded -
\$246,240

The total loss in resident/patient spending in Brainerd is estimated at \$416,736; \$170,496 by the mentally ill and chemically dependent, and \$246,240 by the mentally retarded.

Visitor and Family Spending

To establish a value for family and visitor spending, we again referred to the Rochester report which hypothesized that, on the average, each client had 1.5 visits per month. The 1.5 average was seen as a median somewhere between individuals who receive several visitors to those who have no visitors. It was also assumed that the average expenditure per visit was \$12.00.

The total estimate expenditure by family visits was developed in the following manner:

1.5 visits x 471 clients x 12 months - 8,478 visits
8,478 visits x \$12.00 per visit = \$101,736 in spending

The combined client, visitor and family spending estimates result in a spending loss of \$518,472.

Family, Visitor Spending	\$101,736.00
MI/CD Clients	170,496.00
MR Clients	<u>246,240.00</u>
Total Loss	\$518,472.00

Impact on Camp Confidence

Camp Confidence is a non-profit corporation providing camping experiences for Developmental Disabled children and adults on a year-round basis. The camp developed and grew through the initial support of the State of Minnesota and continues to receive support through Brainerd State Hospital.

The closure of Brainerd State Hospital would result in the following direct loss:

Salaries (Director and Assistant)	\$57,839.60
Utilities	5,100.00
Office Space	7,344.00
Storage Space	2,176.00
Mortgage Payments on Land	1.560,00
(by Volunteer Council from Canteen proceeds)	
Total	\$74,019.60

According to camp officials, over 10,000 camper days are logged annually involving over 2,700 different people and 750 staff. Specific data is not available on spending patterns of the campers, so to establish some value for camper spending, we assumed an average of five individuals arrived at camp in one vehicle, bringing with them most food supplies. We also made a conservative assumption that each vehicle would purchase 20 gallons of gasoline and spend \$12 per vehicle for snacks and refreshments in the area. These assumptions provided the following estimated expenditures by campers:

2,700 campers + staff + by 5 per vehicle - 690 vehicles
 690 vehicles x 20 gal. at \$1.1 per gal. - \$15,870.00 +
 \$12.00 miscellaneous per vehicle (\$8,280.00) - \$24,150.00 in spending

Another important income-producing aspect of Camp Confidence are the fund raising events held in the community. Most notable is the Celebrity Golf Tournament held for three days during the summer and involving 250 golfers and celebrities, along with their spouses, children, and 1,500 spectators. Using very conservative figures of 200 participants staying two nights at \$50.00 per room (\$20,000.00), and considering a family of 3 for each participant at \$10.00 per day for food (600 x \$10.00 x 3 days - \$18,000.00), \$38,000 in spending is generated not considering vehicle coats or spectator spending.

The conservative estimates of Golf Tournament spending is included because a Camp Board member stated that should the State Hospital close, the Board would have to reduce the camp staff by five positions (\$76,566.00) which effectively would close the camp.

Summary of Worse Possible Impact on Camp Confidence (closing) on Community

Salaries	\$ 57,839.60
Utilities	5,100.00
Office Space	7,344.00
Storage Space	2,176.00
Mortgage Payments	1,560.00
Campers' Expenditures	24,150.00
Golf Tournament Spending	38,000.00
Termination of 5 Camp Staff	<u>76.566.00</u>
Total Loss	\$212,735.60

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